

Implementation Statement (“IS”)

Gulf International Bank (UK) Limited Pension Scheme (the “Scheme”)

Scheme Year End – 31 December 2023

The purpose of the IS is for us, the Trustees of the Gulf International Bank (UK) Limited Pension Scheme, to explain what we have done during the year ending 31 December 2023 to achieve certain policies and objectives set out in the Statement of Investment Principles (“SIP”). It includes:

1. How our policies in the SIP about asset stewardship (including both voting and engagement activity) in relation to the Scheme’s investments have been followed during the year; and
2. How we have exercised our voting rights or how these rights have been exercised on our behalf, including the use of any proxy voting advisory services, and the ‘most significant’ votes cast over the reporting year.

Our conclusion

Based on the activity we have undertaken during the year, we believe that the policies set out in the SIP have been implemented effectively.

In our view, most of the Scheme’s material investment managers were able to disclose good evidence of voting and/or engagement activity, demonstrating that the activities completed by our managers align with our stewardship expectations and priorities.

Not all of our investment managers were able to provide us with comprehensive voting and engagement information, and others were unable to provide us with any engagement information as at the time of writing. We will undertake more regular, detailed Environment Social Governance (“ESG”) monitoring of our managers, and we will write to the managers to let them know our expectations of better disclosures in future, as per our Engagement Action Plan.

How voting and engagement policies have been followed

The Scheme is invested entirely in pooled funds, and so the responsibility for voting and engagement is delegated to the Scheme's investment managers, which is in line with the policies set out in our SIP. We reviewed the stewardship activity that the investment managers carried out over the Scheme year and in our view, most of the investment managers were able to disclose good evidence of voting and/or engagement activity. More information on the stewardship activity carried out by the Scheme's investment managers can be found in the following sections of this report.

Over the reporting year, we monitored the performance of the Scheme's investments on a quarterly basis and received updates on important issues from our investment adviser, Aon Investments Limited ("Aon"). In particular, we received quarterly ESG ratings from Aon for the funds the Scheme is invested in where available.

Each year, we review the voting and engagement policies of the Scheme's investment managers to ensure they align with our own policies for the Scheme and help us to achieve them. During the year, as part of strategic de-risking exercises, the Scheme fully disinvested or submitted full disinvestment requests for all of the Scheme's remaining growth assets. Therefore, these funds are being considered as not material in 2024 and our engagement action plan has been set in this regard.

The Scheme's stewardship policy can be found in the SIP:
<https://gibam.com/assets/2023.09-Gulf-Statement-of-Investment-Principles-4138-0520-3534.1.pdf>

Our Engagement Action Plan

Based on the work we have done for the IS, we have decided to take the following steps over the next 12 months:

1. CBRE did not provide engagement information requested. The manager said that they do not collate statistics on the number of individual engagements. However, the Trustees have submitted a full redemption request for the asset to trade on 30 June 2024 and no further action is needed.
2. Schroders and Lansdowne Partners were all able to provide good evidence of the engagement activity they have completed over the year, and Veritas was able to provide good evidence of voting over the year, however there were some minor limitations on what they were able to provide, as set out in the Data Limitations. However, the Trustees have submitted full redemption requests for the Veritas and Schroders assets which traded on 26 May 2023 and 02 January 2024 respectively, the Lansdowne fund is in run off and no further action is needed.
3. JP Morgan provided limited engagement information. Similar to last year, it did not provide voting information. The manager stated that voting and stock selection are not relevant for Infrastructure Investments Fund, however, it is still required to provide information on how it has voted for equity held in order for us to assess whether it has acted in line with our voting policy. However, the Trustees have submitted a full redemption request for the asset to trade on 31 March 2024 and no further action is needed.
4. Consider setting stewardship priorities for the Scheme.
5. We will undertake an annual review of our remaining investment managers' Responsible Investment policies to ensure they are in line with our own.

What is stewardship?

Stewardship is investors using their influence over current or potential investees/issuers, policy makers, service providers and other stakeholders to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

This includes prioritising which ESG issues to focus on, engaging with investees/issuers, and exercising voting rights.

Differing ownership structures means stewardship practices often differ between asset classes.

Source: UN PRI

Our managers' voting activity

Good asset stewardship means being aware and active on voting issues, corporate actions and other responsibilities tied to owning a company's stock. We believe that good stewardship is in the members' best interests to promote best practice and encourage investee companies to access opportunities, manage risk appropriately, and protect shareholders' interests. Understanding and monitoring the stewardship that investment managers practice in relation to the Scheme's investments is an important factor in deciding whether a manager remains the right choice for the Scheme.

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. We expect the Scheme's equity-owning investment managers to responsibly exercise their voting rights.

Voting statistics

The table below shows the voting statistics for each of the Scheme's material funds with voting rights for the year to 31 December 2023.

Funds	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
Lansdowne Developed Market - Strategic Investment Fund	104	100.0%	0.0%	0.0%
Longview Partners - Global Equity Fund	509	100.0%	9.4%	0.2%
Veritas Global Focus CCF - Class B Shares	499	96.8%	10.1%	0.0%
J.P. Morgan Infrastructure Equity				<i>Not provided</i>

Source: Managers. Please note that the 'abstain' votes noted above are a specific category of vote that has been cast, and are distinct from a non-vote.

Use of proxy voting advisers

Many investment managers use proxy voting advisers to help them fulfil their stewardship duties. Proxy voting advisers provide recommendations to institutional investors on how to vote at shareholder meetings on issues such as climate change, executive pay and board composition. They can also provide voting execution, research, record keeping and other services.

Responsible investors will dedicate time and resources towards making their own informed decisions, rather than solely relying on their adviser's recommendations.

The table below describes how the Scheme's managers use proxy voting advisers.

Managers	Description of use of proxy voting adviser(s) (in the managers' own words)
Lansdowne Partners	Proxy voting is an important duty of shareholders and reasonable care and diligence must be undertaken to ensure that such rights are properly and timely exercised. When the Firm has discretion to vote the proxies of its clients, it will vote those proxies in the best interest of its clients and in accordance with its Proxy Voting Policy.
Longview Partners LP (Longview)	On behalf of our institutional clients, we employ the services of the proxy voting adviser Glass, Lewis & Co, a leading independent provider of corporate governance solutions to the financial services industry. Glass Lewis fulfils two functions. Firstly, as a purely operational process, they ensure the voting instructions provided by Longview are implemented across client accounts. Secondly, Glass Lewis uses publicly available sources of information such as stock exchanges, regulators and company filings to provide research and analysis and make voting recommendations. Glass Lewis has partnered with Sustainalytics and Arabesque in order to provide additional ESG-specific information in their proxy voting analysis. Glass Lewis provides structured reports which detail their research and recommendations on each resolution to be voted on. Glass Lewis's report on each of the portfolio holdings is circulated to the Research Team for review. The Research Team will use the Glass Lewis research to assist its

Why is voting important?

Voting is an essential tool for listed equity investors to communicate their views to a company and input into key business decisions. Resolutions proposed by shareholders increasingly relate to social and environmental issues.

Source: UN PRI

Why use a proxy voting adviser?

Outsourcing voting activities to proxy advisers enables managers that invest in thousands of companies to participate in many more votes than they would without their support.

	deliberations and decide how to vote. If appropriate, the decision may be to vote against Glass Lewis's recommendations and/or against management. Where the decision has been taken to vote against management, we may contact the company to engage with them if timelines allow.
Veritas Asset Management LLP	VAM LLP has appointed, Institutional Shareholder Services ("ISS"), for vote execution and policy application.
JP Morgan Infrastructure Equity	<i>Not provided</i>

Source: *Managers*

Significant voting examples

To illustrate the voting activity being carried out on our behalf, we asked the Scheme's investment managers to provide a selection of what they consider to be the most significant votes in relation to the Scheme's funds. A sample of these significant votes can be found in the appendix.

Our managers' engagement activity

Engagement is when an investor communicates with current (or potential) investee companies (or issuers) to improve their ESG practices, sustainability outcomes or public disclosure. Good engagement identifies relevant ESG issues, sets objectives, tracks results, maps escalation strategies and incorporates findings into investment decision-making.

The table below shows some of the engagement activity carried out by the Scheme's material managers. The managers have provided information for the most recent calendar year available. Some of the information provided is at a firm-level i.e. is not necessarily specific to the funds invested in by the Scheme.

Funds	Number of engagements		Themes engaged on at a fund/ firm level
	Fund level	Firm level	
CBRE Property	Not provided	Not provided	Not provided
CQS Multi Asset Credit	78	96	Environment - Climate Change; Pollution, Waste Strategy, Financial & Reporting - Reporting; Strategy/Purpose; Risk Management
JP Morgan Infrastructure Equity	Not provided	2,062	Environment - Climate Change; Natural Resource Use/Impact; Pollution, Waste Social - Conduct, Culture and Ethics; Human and Labour Rights
Lansdowne Developed Market - Strategic Investment Fund	702	1,100	Not provided
Longview Partners - Global Equity Fund	18	18	Environment - Climate Change Social - Human and Labour Rights; Human Capital Management Governance - Remuneration Strategy, Financial & Reporting - Reporting
Schroders UK Real Estate Fund Portfolio	Not provided	6,724	Environment* - Decarbonising; Deforestation; Climate Risk, Oversight Governance* - Boards and Management; Corporate Culture
Veritas Global Focus CCF - Class B Shares	9	24	Environment - Climate Change Social - Human and Labour Rights; Human Capital Management Governance - Leadership - Chair/CEO Strategy, Financial & Reporting - Capital Allocation

Source: Managers.

*The following manager did not provide fund level themes; themes provided are at a firm-level:

- Schroders

Data Limitations

At the time of writing, the following managers did not provide all the information we requested:

- CBRE did not provide engagement information requested. The manager said that they do not collate statistics on the number of individual engagements.
- JP Morgan did not provide engagement information in relation to the fund we are invested in. JP Morgan also did not provide voting information. The manager said that voting and stock selection are not relevant for Infrastructure Investments Fund.
- Lansdowne did provide the engagement statistics; however the manager did not provide engagement themes.
- Schroders was unable to quantify its engagement information at a fund level as the engagements are primarily completed by Property Managers with tenants.
- The significant voting examples provided by Veritas did not include rationale for why they were deemed to be significant.

This report does not include commentary on certain asset classes such as liability driven investments, gilts or cash because of the limited materiality of stewardship to these asset classes. Further, this report does not include the additional voluntary contributions ("AVCs") due to the relatively small proportion of the Scheme's assets that are held as AVCs.

Appendix – Significant Voting Examples

In the table below are some significant voting examples provided by the Scheme's managers. We consider a significant vote to be one which the manager considers significant. Managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the examples below:

Lansdowne Developed Market - Strategic Investment Fund	Company name	Cairn Homes
	Date of vote	31-Aug-2023
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	Not provided
	Summary of the resolution	Approve Stretch CEO Long Term Incentive Plan
	How you voted?	Votes supporting resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	Not provided
	Rationale for the voting decision	Following board and remuneration committee engagement, various of our proposals were incorporated into the final incentive plan put forward by the company. Despite the quantum, we viewed the final plan as aligning key management (who we see as significant value drivers for the company) with shareholders, particularly around mid-term ROE targets, and therefore voted to approve the plan.
	Outcome of the vote	Pass
	Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	Not provided
	On which criteria have you assessed this vote to be most significant?	We voted against ISS Sustainability Policy
	Company name	Alphabet Inc
	Date of vote	02-Jun-2023
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	4.0	
Summary of the resolution	Amendment to the 2021 Stock Plan	
How you voted?	Votes against resolution	
Where you voted against management, did you communicate your intent to the company ahead of the vote?	No	
Rationale for the voting decision	Pace of historical grants; Excessive cost compared to enterprise value.	
Outcome of the vote	Pass	
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	For future proposals, Longview may consider engaging with the company prior to the vote to better understand management's stance, providing tight voting instruction deadlines allow.	
On which criteria have you assessed this vote to be most significant?	Longview has voted against management and >15% of total votes were against management.	
Company name	Airbus SE	

**Veritas Global Focus CCF -
Class B Shares**

Date of vote	19-Apr-2023
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	5.2
Summary of the resolution	Grant Board Authority to Issue Shares and Exclude Preemptive Rights for the Purpose of Company Funding
How you voted?	Votes against resolution
Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
Rationale for the voting decision	Red Line G15 The resolution requests the disapplication of preemptive rights.
Outcome of the vote	Pass
Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	None to report
On which criteria have you assessed this vote to be most significant?	Not provided

Source: Managers